

Hearing:

April 14, 1999

Paper No. 76

PTH

THIS DISPOSITION IS NOT

CITABLE AS PRECEDENT OF THE TTAB DEC. 17, 99

U.S. DEPARTMENT OF COMMERCE
PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

QVC, Inc.

v.

Home Shopping Network, Inc.

Opposition Nos. 102,173; 103,135; 104,078;
104,173; 104,181; 104,193; and 104,323

to application Serial Nos.

74/591,905 and 74/591,904 filed on October 28, 1994;
74/607,590 filed on December 6, 1994; 74/605,832 filed on
December 2, 1994; 74/596,583 filed on November 7, 1994;
74/666,266 filed on April 12, 1995; and 74/620,226 filed on
January 10, 1995 respectively

Glenn Gundersen, Martin J. Black, Andrew Fish and Terrence
A. Dixon of Dechert Price & Rhoads for QVC, Inc.

Edward T. Colbert and Brian S. Mudge of Kenyon & Kenyon for
Home Shopping Network, Inc.

Before Hairston, Walters and Chapman, Administrative
Trademark Judges.

Opinion by Hairston, Administrative Trademark Judge:

Home Shopping Network, Inc. (Applicant) has filed
applications to register the following marks:

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- (a) HSN HOME SHOPPING NETWORK (Section 2(f) as to HOME SHOPPING NETWORK) for "entertainment services in the nature of an ongoing television program whereby viewers are informed of various goods that can be purchased by the viewers";¹
- (b) HSN HOME SHOPPING NETWORK and design (Section 2(f) as to HOME SHOPPING NETWORK) as reproduced below

for "entertainment services in the nature of an ongoing television program whereby viewers are informed of various goods that can be purchased by the viewers";²

- (c) HSN HOME SHOPPING NETWORK and design (NETWORK is disclaimed) as reproduced below

for "licensing services, namely, providing cable and broadcast television operators and

¹ Serial No. 74/591,905 filed October 28, 1994, alleging first use and first use in commerce on July 1, 1985.

² Serial No. 74/591,904 filed October 28, 1994, alleging first use and first use in commerce on July 1, 1985.

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broadcasters a license to show television programs";³

- (d) HSN HOME SHOPPING NETWORK and design (Section 2(f) as to HOME SHOPPING; NETWORK is disclaimed) as reproduced below

for "television broadcasting services";⁴

- (e) HOME SHOPPING CLUB for "licensing services, namely, providing cable and broadcast operators and broadcasters a license to show television programs";⁵
- (f) HSN HOME SHOPPING NETWORK and design (Section 2(f) as to HOME SHOPPING; NETWORK is disclaimed) as reproduced below

for "television broadcasting services" and "entertainment services in the nature of an ongoing television program whereby viewers are informed of various goods that can be purchased by the viewers";⁶ and

³ Serial No. 74/607,590 filed December 6, 1994, alleging first use and first use in commerce in May 1985.

⁴ Serial No. 74/605,832 filed December 2, 1994, alleging first use and first use in commerce on July 1, 1985.

⁵ Serial No. 74/596,583 filed November 7, 1994, alleging first use and first use in commerce in May 1985.

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(g) HOME SHOPPING NETWORK for "credit card services."⁷

Following publication of the marks under Section 12(a) of the Trademark Act, timely oppositions were filed against each application by QVC, Inc. (Opposer). As grounds for opposition, in each case, opposer essentially asserts that it is one of the nation's leading retailers; that it sells a variety of merchandise to millions of customers nationwide primarily through its own cable television channels; that applicant also sells merchandise to customers nationwide through its own television channel; that the term "home shopping" is commonly used as a descriptive or generic term for the type of services provided by opposer and applicant; that applicant's use of "home shopping" has not been substantially exclusive; that "home shopping" has not become distinctive of applicant's services; that "home shopping" is a term that is necessary to properly describe opposer's business or aspects of opposer's services; and that applicant is not entitled to registration of its mark in the absence of a disclaimer of "home shopping."⁸

⁶ Serial No. 74/666,266 filed April 12, 1995, which alleges a bona fide intention to use the mark in commerce.

⁷ Serial No. 74/620,226 filed January 10, 1995, alleging first use and first use in commerce in October 1991.

⁸ We note that in Opposition Nos. 102,173 and 103,135 opposer also alleged that the phrase HOME SHOPPING NETWORK had not become distinctive of applicant's services. However, inasmuch as opposer did not pursue this issue, we have given it no consideration.

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Applicant, in its answers, denies the salient allegations in the notices of opposition. In orders dated July 28 and December 31, 1997, the Board consolidated the oppositions.

The record in this consolidated proceeding is voluminous. It consists of the pleadings; the files of the seven applications; the parties' stipulated evidence; three testimony depositions, with exhibits, taken by opposer; and official records, printed publications, registrations, discovery responses, and court decisions made of record by means of opposer's ten notices of reliance. In addition, applicant submitted fourteen testimony depositions, with exhibits; and discovery responses, printed publications, and official records by means of twelve notices of reliance. Both parties filed briefs on the case and both were represented by counsel at an oral hearing before the Board.

Evidentiary Objections

Before turning to the merits of the case, we must consider several evidentiary disputes that have arisen between the parties.

The first such dispute involves opposer's first through fourth consolidated notices of reliance; the entire testimony deposition (with exhibits) of opposer's witness, Millicent Seaner; and portions of the testimony deposition

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(and related exhibits) of opposer's witness, Frederick Siegel, all submitted during opposer's rebuttal testimony period. Applicant objects to this evidence on the ground that it is improper rebuttal in that it constitutes matter in support of opposer's pleading that the term "home shopping" is generic or descriptive, and that, as such, it is proper only for opposer's case-in-chief. There is no question that this evidence is pertinent to the allegations in opposer's pleading and that generally, it would be proper for opposer's case-in-chief and therefore improper as rebuttal evidence.⁹ However, applicant, by choosing to present evidence to establish, notwithstanding opposer's evidence, acquired distinctiveness of "home shopping," reopened the issues of genericness and descriptiveness, thereby entitling opposer to rebut any implication or assumption that might be drawn from applicant's evidence. Stated differently, opposer was entitled to submit rebuttal evidence to deny, explain, or discredit applicant's evidence purporting to show that "Home Shopping" had acquired distinctiveness or to rebut any improper implication or assumption that could be drawn from applicant's evidence. Under these circumstances, the above evidence offered by

⁹ The evidence includes, inter alia, two dictionary definitions of the term "home shopping;" the results of a search of the NEXIS database for "home shopping;" and third-party applications and registrations which include "home shopping" in the identification of goods/services.

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opposer during its rebuttal testimony period is deemed
proper rebuttal and therefore properly forms a part of
opposer's record in this proceeding. See Minnesota Mining &
Manufacturing Co. v. Stryker Corp., 179 USPQ 433 (TTAB

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1973); and Nationwide Consumer Testing Institute, Inc. v. Consumer Testing Laboratories, Inc., 159 USPQ 304 (TTAB 1968).

The next dispute involves the testimony deposition of opposer's expert witness, Alvin Ossip. First, applicant seeks to strike the testimony in its entirety on the ground that opposer failed to identify Mr. Ossip during discovery and subsequently withheld documents about Mr. Ossip's professional experience, which prejudiced applicant in cross-examination. Second, applicant seeks to strike those portions of the Ossip testimony which concern the design of the consumer survey introduced by applicant herein because, according to applicant, Mr. Ossip was not competent to testify in this regard.

As to applicant's motion to strike the Ossip testimony in its entirety, opposer states it did not know during the discovery period that it would be calling Mr. Ossip as an expert witness, and that it was only after applicant called its own expert witness, Jacob Jacoby, during its testimony period that opposer decided to call Mr. Ossip to refute Dr. Jacoby's testimony. Further, opposer states that it promptly notified applicant of its intention to call Mr. Ossip as a witness.

The record herein shows that opposer identified Mr. Ossip to applicant some twenty-nine days before his trial

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deposition. Indeed, applicant conducted a discovery deposition of Mr. Ossip prior to his trial deposition, and during his trial deposition applicant conducted a lengthy and detailed cross-examination. Not only has opposer offered a reasonable explanation for not identifying Mr. Ossip during discovery, but it is clear that applicant has suffered no prejudice since applicant subsequently conducted a discovery deposition and cross-examination of Mr. Ossip. Under the circumstances, applicant's request to strike Mr. Ossip's testimony in its entirety is denied.

As to applicant's additional motion to strike those portions of the Ossip testimony concerning the particular design of applicant's consumer survey on the ground that Mr. Ossip was not competent as to this matter, this kind of objection bears solely on the weight to be accorded Mr. Ossip's testimony. It is insufficient to attack the admissibility of those portions of Mr. Ossip's testimony concerning the survey design. Thus, applicant's request to strike those portions of the Ossip testimony is denied.

Lastly, applicant seeks to strike, on the ground of lack of foundation, certain portions of the testimony of opposer's witness, Frederick Siegel and Exhibit 22 which opposer introduced during the deposition of applicant's witness, John Taylor. Inasmuch as opposer made no objections to applicant's request to strike this evidence,

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we consider the request conceded, and therefore we have not considered this evidence in reaching our decision herein.

The Parties

Opposer, QVC, Inc., is the nation's largest electronic retailer. Opposer produces live television programs that are distributed by means of cable systems, broadcast networks and satellite transmissions. Through these programs, consumers at home may view a large variety of products being offered for sale and purchase these products by telephone.

Opposer's chief competitor in the electronic retailing industry is applicant, Home Shopping Network, Inc. Applicant pioneered the concept of "televised shopping" in 1982 with its regional broadcast of a program titled "Home Shopping Club." In 1985 applicant took its program nationwide. Applicant's current televised shopping program is called "The Home Shopping Network" and is available in more than 70 million U.S. households through cable, broadcast and satellite transmissions.

The Issues

The following issues are before us for consideration: (1) whether the term "home shopping" is generic of the services recited in the involved applications; (2) if not, whether "home shopping" is merely descriptive as used in connection with such services; and (3) if "home shopping" is

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merely descriptive, whether the term has acquired distinctiveness in connection with such services.¹⁰

Opposer's Evidence

Opposer has submitted the evidence set forth below to support its contention that the term "home shopping" is generic of the services identified in applicant's applications. In the alternative, opposer maintains that "home shopping" is merely descriptive and has not acquired distinctiveness with respect to such services.

Printed Publications

Opposer has introduced several hundred photocopies of articles and excerpts retrieved from the NEXIS database wherein the term "home shopping" is used in a generic fashion. The following excerpts from newspapers and trade publications are representative of the generic uses (i.e., uses not referring to applicant's services under the designation "**home shopping**"):

What could be more bazaar than a TV dial packed with **home shopping** programs, of round-the-clock hawking by TV pitchmen offering viewers the chance to use their telephones and credit cards to purchase close-out

¹⁰ Applicant contends that opposer has dropped its claims of genericness/descriptiveness with respect to applicant's broadcasting services, licensing services and credit card services because opposer does not discuss these services in the argument section of its main brief. However, we note that in the "Statement of the Issue" section of opposer's brief, it lists those applications which cover applicant's broadcasting services, licensing services and credit card services. Thus, we cannot say that opposer has dropped its claims of genericness/descriptiveness with respect to these services.

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merchandise and liquidated goods at bargain prices? (Chicago Tribune, December 14, 1986);

The television **home-shopping** industry has lost some of its luster in the past year. (Los Angeles Times, December 30, 1987);

. . . **home shopping** programs now seem to be dropping from sight as quickly as you can change the channel. (St. Petersburg Times, November 30, 1987);

"What we are seeing is, in a sense, a climax to the consolidation that has been happening in the **home-shopping** arena in the last couple of years," said Kenneth Goldman of Hanifen, Imhoff Inc. in Denver. (The New York Times; July 11, 1989);

Only two heavyweights are left to fight it out in the television retailing arena, having beaten everyone else into electronic oblivion. Gone from the bazaar of **home shopping**--where TV watchers order live by telephone the products they see on the screen--are Caravan of Values, America's Marketplace, the Consumer Discount Network, the Television Auction Channel and Crazy Eddie's World of Home Entertainment Network. (St. Petersburg Times; December 3, 1989);

Robert Johander spotted his opening in the spring of 1990--when QVC Network, Inc., the Pennsylvania-based operator of the nation's largest **home shopping** network, dropped CVN Co.'s TV operations and sent 675 workers packing. (Star Tribune; December 12, 1992);

Home shopping by television, sometimes belittled for its pitchmen hawking baubles and kitchen gadgets, moved closer yesterday to becoming a major source of consumer goods and new services as the two dominant cable channels in the business said they would consider a merger. (The Boston Globe, July 13, 1993);

Following Saks, Macy's and cubic zirconium peddlers, NBC is about to go on the air with

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a program intended to stake a claim in the fast-growing **home-shopping** market. (The Orange County Register, June 10, 1993);

In the world of **home shopping** cable channels, QVC and Home Shopping Network are siblings in the Tele-Communications Inc. family. (Variety, April 24, 1995);

The [National Cable Television Association] show will feature plenty of new video programming as well, with at least 26 new services being announced. The newcomers include . . . Value-Vision International Inc., a **home shopping** network. (Multichannel News, May 8, 1995);

. . . the study shows that three core services that have garnered much media attention -- movies-on-demand, **home shopping** and online services -- aren't going over particularly well with consumers. . . . In the **home-shopping** arena, only 8% said they watch channels such as QVC and the Home Shopping Network. (Variety, April 10, 1995);

Opposer's Registrations and Third-Party Registrations

The record includes nine of opposer's registrations and numerous third-party applications and registrations for services which contain in the recitation of services, the terms "home shopping;" "home shopping services"; "home shopping programs"; "television home shopping services"; and "home shopping channels", respectively. In particular, we note Registration No. 1,757,461 for the mark VALUE VISION for "television home shopping services", Registration No. 2,121,002 for the mark ANIMAL SHOPPING CLUB for "televised home shopping in the field of animal products", and

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opposer's Registration No. 1,455,889 for the mark QVC for "providing at home shopping services in the field of general merchandise by means of cable television."

Dictionary Evidence

The record also includes two dictionary definitions of the term "home shopping": (1) "shopping from home using TV channels, catalogues, etc." The Oxford Encyclopedic English Dictionary (1996); and (2) "buying goods and services without leaving the home, via the Internet, TV, telephone, and mail order." The Newbury House Dictionary of American English (1999).

Additional Evidence

Opposer has made of record a number of decisions and regulations of the Federal Communications Commission (FCC), the agency responsible for regulating the television broadcasting and cable industries. The term "home shopping" is used in these decisions and regulations in a generic fashion on at least thirty occasions. In particular, we note 47 C.F.R. §76.922(e)(3)(ii) which states, in pertinent part:

With respect to the per channel adjustment only, this deduction shall not apply to revenues by an operator from a programmer as commissions on sales of products or services offered through **home shopping** services.

Also, in an opinion, the FCC stated:

Moreover, WSHE is a specialty station which airs **home-shopping** programs. **Home shopping**

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stations typically attract a limited audience
but can provide a diverse and valuable service
to subscribers.

DP Media of Martinsburg, Inc. Television Station WSHE(TV),
1998 WL 39524(Feb. 4, 1998) at 6.

Further, opposer made of record filings before the
Securities and Exchange Commission and annual reports
wherein opposer and applicant have used "home shopping" in a
generic manner. For example, applicant's 1987 Annual Report
stated, in pertinent part, that "[b]y September 1986 the
Company [applicant] had begun nationwide transmission via
broadcast TV of a second **home shopping** service."

Opposer's Schedule 13 D filed on November 11, 1993 with
the Securities and Exchange Commission states, in pertinent
part: "QVC operates **home shopping** channels that reach more
than 48 million homes, with annual revenues in excess of
\$1.0 billion."

Finally, opposer submitted copies of several court
decisions wherein "home shopping" is used in a generic
manner. For example, the United States Court of Appeals for
the District of Columbia, in affirming a FCC rule, noted
that the FCC created a category for programmers "proposing
to use the channel for more than 50% of their lease time to
sell products directly to consumers (such as **home shopping**
networks and infomercials)." See ValueVision International,
Inc. v. FCC, 149 F.3d 1204, 1207 n.3, 1208 (D.C. Cir. 1998).
The court further stated that "Petitioner ValueVision

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International, Inc., is engaged in the business of producing television **home shopping** programs for distribution over cable systems." Id. At 1208.

Applicant's Evidence

It is applicant's position that the term "home shopping" is not generic of the services identified in its applications. Rather, applicant maintains that through use and promotion of the term "Home Shopping" alone, and as part of other phrases such as Home Shopping Club, Home Shopping Spree, and Home Shopping Network, "Home Shopping" has become distinctive of its services. In particular, applicant contends that Home Shopping functions as a strong brand for applicant. In support of its contentions, applicant relies on the evidence set forth below.

Applicant's Use and Promotion of Home Shopping

Applicant took the testimony of a number of its officers and employees. According to the testimony of these witnesses, from its earliest days, applicant has displayed an on-screen logo ("bug") as a channel identifier on each of its televised shopping programs. For many years, applicant used a bug which included the phrase Home Shopping Club along with the letters HSC in a stylized house design. Today, applicant's programming includes an on-air logo which includes the phrase The Home Shopping Network, with "Home Shopping" depicted in larger letters.

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Over the years, applicant has used many on-screen graphics and set backdrops which include references to "Home Shopping" or Home Shopping Club. Also, during each program, applicant's on-air hosts make regular reference to The Home Shopping Network and, the on-air hosts often drop the word "Network" and simply refer to applicant as "Home Shopping."

Applicant regularly runs television commercials on a variety of channels and has advertised in a broad array of national consumer publications including Family Circle, Life and People. In addition, applicant produces its own consumer-oriented magazine, The Home Shopping Magazine, that it distributes to more than one million customers each month. Applicant also distributes advertisements by way of cable bill inserts and periodically sends consumer-oriented promotional material directly to its customers.

Over the years, applicant has joined with a number of third-party product suppliers (such as Maxwell House and Seagram's) to promote specials for their products along with savings on purchases from applicant. These promotional efforts have included print advertisements, direct mailings, television commercials and point-of-sale marketing material.

Applicant has offered consumers two credit cards that prominently display Home Shopping Network on the face of the card. One is a Visa affinity card that can be used anywhere Visa is accepted. The other credit card is a private label

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credit card that consumers can use to purchase products from any of applicant's retail operations, including its televised shopping programs, mail-order catalogs and retail stores.

According to applicant's witnesses, its 3300 affiliates, i.e., broadcasters and cable operators, are also regularly exposed to the phrase Home Shopping. Each month applicant sends approximately 1200 advertising slicks to its affiliates for placement in local newspapers or television channel guides. Also, applicant runs advertisements in trade publications such as Electronic Media, Cable World, Broadcasting and Cable, and Video Age. Applicant attends major trade shows and conferences at which it meets with current and prospective affiliates. It also distributes advertising and marketing materials, including promotional videos.

Further, applicant has sponsored two public service programs, namely "Scared Straight" and "Bring Them Home America," which were broadcast nationwide on applicant's channels. Lastly, applicant has used "Home Shopping" in connection with a number of services ancillary to its main televised shopping business. Examples of these include Home Shopping Values (mail order services), Home Shopping Tours, Home Shopping Travel Club, Home Shopping Club Auto Plan, Home Shopping Outlet (retail stores), Home Shopping

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Pharmacy, Home Shopping Club Legal Services, Home Shopping Insurance, Home Shopping Game (television programming), and Home Shopping Showcase (direct marketing).

Between 1991 and 1997 applicant expended millions of dollars advertising and promoting its services. During the same period, applicant's gross sales exceeded \$8 billion for its television programming, including over \$1 billion in the first eleven months of 1997 alone.

Additional Testimony/Evidence

Applicant has also been mentioned in comic strips, editorial cartoons and late night talk show routines. In a story about applicant on the television program "60 Minutes," applicant was referred to as simply "Home Shopping."

Further, applicant offered the testimony of George M. Cocola, president of Cocola Broadcasting Co., one of opposer's affiliates. Mr. Cocola testified that he would use the term "electronic retailing" to describe applicant's services and that to him the term "Home Shopping" means applicant.

John Taylor, an expert in consumer advertising and marketing, reviewed all of the material made of record by the parties in this proceeding and testified that, in his opinion, "Home Shopping" is a strong brand for applicant.

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Also, applicant offered the testimony of Mark Bozek, a former officer of opposer. Mr. Bozek testified that opposer consistently referred to its business as electronic retailing and intentionally avoided using the term "home shopping" because consumers associate the term with applicant.

Printed Publications

Applicant has introduced several hundred photocopies of articles and excerpts from the NEXIS database wherein applicant is referred to as simply "Home Shopping". The following are representative examples:

HEADLINE: **Home Shopping** To Buy Station
BODY: Home Shopping Network said it agreed to purchase a Houston UHF television station, KTHT, from Four Star Broadcasting Inc. for \$15 million.
(The Wall Street Journal, September 11, 1986);

With us it's a business decision. We're not using the operators and that's the way it is -- **Home Shopping** Chairman Roy Speer, in explaining how more than 800 operators in Virginia had to be laid off because of the network's game show flop.
(St. Petersburg Times, September 6, 1987);

HEADLINE: **Home Shopping** Ends Plan To Buy Baltimore Thrift
BODY: Home Shopping Network, Inc. said it decided to drop its previously announced plan to buy a Baltimore thrift because of potential legal problems.
Joseph A. Connolly, **Home Shopping's** chief financial officer, said the proposed \$40 million acquisition of Baltimore Financial Federal . . .
(The Wall Street Journal, September 30, 1987);

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The GTE Corporation was awarded \$100 million in damages yesterday by a Florida jury that found the company had been libeled by Home Shopping Network.

.
Home Shopping, which markets consumer products on phone-in-television shows . . .
(The New York Times, August 3, 1989);

Home Shopping changes name of infomercial channel: Home Shopping Network will change the name of its new infomercial program service from Infonet to Home Shopping Network Entertainment by Nov. 1.
(Electronic Media, October 21, 1991);

Home Shopping co-founder cashes out: Lowell W. "Bud" Paxson, co-founder of Home Shopping Network Inc., is selling most of his interest in the television giant. Paxson and a partnership he controls sold 12.8 million **Home Shopping** shares March 20 for \$68.9 Million.
(Los Angeles Daily News, April 9, 1992);

HEADLINE: Four Show Hosts Have Lost Their Jobs At **Home Shopping**

BODY: Home Shopping Network Inc. sacked three of its show hosts this week, the television retailer confirmed Friday.

.
Podhaisky said Roy M. Speer, **Home Shopping's** chairman and chief executive, once told a meeting of show hosts they could be replaced by trained chimpanzees.
(St. Petersburg Times, October 3, 1992);

HEADLINE: THE MEDIA BUSINESS: Liberty Media In New Offer For **Home Shopping** Stock

BODY: The Liberty Media Corporation, sensing an opportunity to make money while bolstering its holdings in Home Shopping Network, Inc., offered yesterday to buy up to 17 percent of the outstanding shares of the troubled television marketer at a price below its earlier offer.
(The New York Times, April 20, 1993); and

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HEADLINE: QVC, **Home Shopping** Talking Again
About Merger

BODY: QVC Network Inc. and Home Shopping
Network Inc. are talking again about joining
forces in a move that would consolidate the
\$2-billion-a-year video retailing business
into a single powerhouse company.
(St. Petersburg Times, July 13, 1993).

Dictionary Evidence

Applicant has attached to its brief excerpts from the following four dictionaries, none of which include an entry for "home shopping": Random House Webster's Unabridged Dictionary (2d. 1997); Random House Webster's College Dictionary (1997); Merriam Webster's Collegiate Dictionary (10th 1993); and The World Book Dictionary (1990).¹¹

Marketing Study

In June 1996 applicant conducted one of its periodic studies of customers. The primary purpose of the study was to determine viewer preferences regarding television shopping programs. The study sample was 1574 consumers. Question 37(a) reads as follows:

Throughout this survey, we have used the term Home Shopping Network. In the recent past, other terms have been used. When you think of us, what name do you normally use? (USE RESPONSES TO PROMPT)

- 1 - Home Shopping Network
- 2 - Home Shopping Club
- 3 - Home Shopping
- 4 - HSN

¹¹ Although matter submitted with a brief is generally considered untimely, we exercise our discretion and take judicial notice of the dictionary definitions.

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Approximately one out of four respondents answered "Home Shopping." This was the most popular response, followed by Home Shopping Network and Home Shopping Club. Paul Guyardo, applicant's Executive Vice President for Marketing, testified that applicant concluded from this study that its brand equity lay in the phrase "Home Shopping."

Applicant's Survey

Lastly, applicant places great reliance on the results of a consumer telephone survey commissioned by it for use in this proceeding. The survey is titled "Does The Phrase 'Home Shopping Network' Have Meaning As A Service Mark Among Cable Television Viewers And Do Cable Television Viewers Use The Phrase 'Home Shopping' Within The Mark 'Home Shopping Network' To Be Generic Or A Source Indicator?". It was designed by Jacob Jacoby Ph.D., Merchant Council Professor of Consumer Behavior at New York University's Stern School of Business. Mr. Jacoby subcontracted with Princeton Research & Consulting Center, Inc. (PRCC) to collect the data. The sample for the survey was 617 respondents, aged 18 or older, who watch cable television.

Several versions of a main questionnaire, consisting of twelve questions (with subparts), were constructed. Although the questions were essentially the same on all versions, the various versions differed in the order in

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which certain questions were asked, the order in which certain answer options were offered, and whether the respondents were asked about Home Shopping Network or Call and Buy Network (a fictitious television network).

Dr. Jacoby maintains that question 3a directly addresses the question of whether cable television viewers understand the phrase Home Shopping Network (and Home Shopping) primarily as a source indicator or generic term. As Question 3a, approximately half the survey respondents (308) were asked:

What about "Home Shopping Network?"
As best you know, is "Home Shopping Network" a name used by only one company to identify its particular broadcasting network, or is "Home Shopping Network" a word combination used by several different companies to mean a network in general?"

- 1 SEVERAL DIFFERENT COMPANIES
- 2 ONE COMPANY
- 3 BOTH
- 4 NEITHER
- 5 SOMETHING ELSE
- 6 DON'T KNOW/FOR SURE

As a control to gauge "noise" (i.e., guessing and related random errors), the other respondents (309) were asked the same question regarding Call and Buy Network.

To provide context for interpreting these data, all 617 respondents were also asked the same question about two terms that are generic, i.e., "television network" and "cable network" and two names that are source indicators,

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i.e., "National Broadcasting Company" and "Fox Broadcasting Company". The relevant data, which appears in Table 1 of the survey, is set forth below:

Table 1: Primary Meaning of the Phrase Tested¹²

According to Mr. Jacoby, "it is clear [from the above data] that the primary usage of the phrase 'Home Shopping Network' is as a source indicator (55.2%), not as a descriptive term representing a class (24.7%)." In addition, he concludes that "it is likely that the word 'network,' when appearing as part of the phrase 'Home Shopping Network' is not responsible for respondents considering that term to be a source-designator. Instead,

¹² To simplify presentation, Mr. Jacoby did not show the percent responding either "don't know" or "not sure." In almost all cases, these can be deduced precisely by adding the "One Company" and "Several Different Companies" percentages provided for that particular phrase, and then subtracting this total from 100%.

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based upon the data, it is reasonable to conclude that the two-word 'Home Shopping' component is what is primarily responsible for the entire phrase 'Home Shopping Network' being considered a source-designator." (Survey Report pp. 21-22).

Further, Dr. Jacoby points to Questions 6b and 7b as addressing the primary meaning of "Home Shopping". These questions were asked of more narrowly defined universes. Question 6b, which was asked of 188 respondents who had watched a televised shopping channel over the past three months or so, reads as follows:

As best you can remember, what is the name or names of the channels you have watched? PROBE
TWICE WITH: Any others? PAYING CAREFUL
ATTENTION TO THE EXACT WORDS USED BY THE
RESPONDENT, CIRCLE ALL MENTIONED BELOW.

- 1 HOME SHOPPING
- 2 HOME SHOPPING CHANNEL
- 3 HOME SHOPPING CLUB
- 4 HOME SHOPPING NETWORK
- 5 HSN
- 6 QVC
- 7 QVC CHANNEL
- 8 QVC NETWORK
- 9 VALUE VISION
- X VALUE VISION CHANNEL
- Y VALUE VISION NETWORK
- 0 OTHER (SPECIFY _____)
- 1 OTHER (SPECIFY _____)
- 2 DON'T KNOW/DON'T RECALL

Of the 188 respondents, 47.1% spontaneously responded "Home Shopping."

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Question 7b, which was asked of 74 respondents who had made a purchase from a television shopping channel within the past year or so, reads as follows:

As best you can remember, what is the name or names of the channels from which you bought something? PROBE TWICE WITH: Any others? PAYING CAREFUL ATTENTION TO THE EXACT WORDS USED BY THE RESPONDENT. CIRCLE ALL MENTIONED BELOW.

- 1 HOME SHOPPING
- 2 HOME SHOPPING CHANNEL
- 3 HOME SHOPPING CLUB
- 4 HOME SHOPPING NETWORK
- 5 HSN
- 6 QVC
- 7 QVC CHANNEL
- 8 QVC NETWORK
- 9 VALUE VISION
- X VALUE VISION CHANNEL
- Y VALUE VISION NETWORK
- 0 OTHER (SPECIFY _____)
- 1 OTHER (SPECIFY _____)
- 2 DON'T KNOW/ DON'T RECALL

Of the 74 respondents, 38.9% spontaneously responded "Home Shopping."

Decision

A term is generic if it names the class of goods or services to which it is applied. See *H. Marvin Ginn Corp. v. International Association of Fire Chiefs, Inc.*, 782 F.2d 987, 228 USPQ 528 (Fed. Cir. 1986); and *In re Northland Aluminum Products, Inc.*, 777 F.2d 1556, 227 USPQ 961 (Fed. Cir. 1985). The test for determining whether a term is generic is its primary significance to the relevant public, that is, whether the term is used or understood by

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purchasers or potential purchasers of the goods or services at issue, primarily to refer to the class of such goods or services. See *Magic Wand Inc. v RDB Inc.*, 940 F.2d 638, 19 USPQ2d 1551 (Fed. Cir. 1991); *In re Merrill Lynch, Pierce, Fenner, and Smith, Inc.*, 828 F.2d 1567, 4 USPQ2d 1141 (Fed Cir. 1987); *H. Marvin Ginn Corp. v. International Association of Fire Chiefs, Inc.*, *supra*. Evidence of the relevant public's understanding of a term may be obtained from any competent source, including direct testimony of consumers, consumer surveys, newspapers, magazines, dictionaries, catalogs, and other publications. See *In re Merrill Lynch, Pierce, Fenner and Smith, Inc.*, *supra*; and *In re Northland Aluminum Products, Inc.*, *supra*. Our primary reviewing court has stated that a party charging genericness must prove its claim by a preponderance of the evidence. *Magic Wand Inc.*, at 1554.

The services in applicant's application fall into four general categories: entertainment services in the nature of an ongoing television program, television broadcasting services, licensing services and credit card services. Applicant's entertainment services fall within the narrower category of televised shopping programs. After careful review of the record herein, we find that the term "home shopping" would be understood by the relevant public as referring to this category of services.

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Opposer has submitted evidence showing numerous uses of the term "home shopping" in a generic fashion for televised shopping programs. These uses appear in a variety of publications, opposer's registrations, third-party applications and registrations, court decisions, and governmental regulations.

While it is true that some of the NEXIS excerpts submitted by opposer are from foreign publications and wire services, the overwhelming majority are from trade and nationally circulated consumer publications. Also, even though none of the articles pre-date applicant's first use of "home shopping," this is not surprising since applicant was the pioneer in the field of televised shopping programs.

Also, contrary to applicant's argument, the recitation of services in the third-party applications and registrations are probative of how the term "home shopping" is understood by viewers of televised shopping programs. We note, in this regard, Section 804.01 of the Trademark Manual of Examining Procedure (TMEP) which states, in relevant part: "The identification of goods or services should set forth **common names**, using terminology which is generally understood." (emphasis added).

Further, the dictionary definitions made of record by opposer are probative of consumer understanding. While applicant argues that, as reflected in the dictionary

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excerpts it submitted, "home shopping" does not appear in "main stream" dictionaries, The Oxford Encyclopedic English Dictionary is a well recognized reference source and is generally available in the United States. Also, The Newbury House Dictionary of American English, which is designed for persons new to American English, contains contemporary, up-to-date vocabulary.

In finding that the term "home shopping" is incapable of identifying applicant's televised shopping programs and distinguishing them from like services of others, we have considered, of course, all the evidence touching on the public perception of the term "home shopping," including the evidence of acquired distinctiveness. In *re Seats, Inc.*, 757 F.2d 274, 225 USPQ 364 (Fed. Cir. 1985). It may well be that applicant, by its long and continuous use of "Home Shopping" alone and as part of other phrases, has acquired a de facto secondary meaning in the term in the sense that some or even many people have come to associate "Home Shopping" with applicant. Nonetheless, if the evidence as a whole establishes that the term is primarily perceived as a generic term, the recognition of the term as a service mark by certain consumers must be deemed no more than a de facto secondary meaning that, in legal effect, can neither confer nor maintain service mark rights in such term. See J. T. McCarthy, McCarthy on Trademarks and Unfair Competition,

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Section 12:47 (4th ed. 1999). In any event, we do not believe applicant's evidence is sufficient to show that the average purchaser views "Home Shopping" as a service mark for applicant's televised shopping programs.

We recognize that applicant's use dates back to 1982. Applicant's sales figures would suggest that applicant has enjoyed a degree of success and that the designation "Home Shopping," whether alone or as part of other phrases, has been exposed to millions of cable television viewers. Nonetheless, this evidence demonstrates only the popularity of applicant's televised shopping programs, not that the relevant consumers of such services have come to view "Home Shopping" as applicant's source-identifying service mark. Similarly, the evidence of publicity for applicant's services does not, in and of itself, lead us to infer that the publicity has been effective in creating distinctiveness.

There are problems with both the marketing study and consumer survey submitted by applicant in support of its claim of acquired distinctiveness. With respect to the marketing study, opposer relies, in particular, on the fact that many of applicant's customers selected "Home Shopping"

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in response to Question 37a.¹³ However, a scrutiny of the marketing study shows that in several questions prior to Question No. 37a, the interviewer had referred to applicant as simply "Home Shopping."¹⁴ Thus, it is not surprising that in response to Question No. 37a many of the respondents selected "Home Shopping" as the way they too would refer to applicant.

As to the consumer survey, we note that Mr. Jacoby has acknowledged that the survey was designed primarily to address the issue of whether Home Shopping Network had acquired secondary meaning among cable television viewers.

¹³ As indicated infra, Question 37a reads:

Throughout this study, we have used the term Home Shopping Network. In the recent past, other terms have been used. When you think of us, what name do you normally use. (USE RESPONSES TO PROMPT).

- 1- Home Shopping Network
- 2- Home Shopping Club
- 3- Home Shopping
- 4- HSN

¹⁴For example, Question 34 reads: "When did you make your last purchase from Home Shopping?"

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(Jacoby Deposition, pp. 191, 194).¹⁵ The issue of whether "home shopping" is generic of applicant's services was secondary. Also, Dr. Jacoby admitted that he employed a methodology that, to his knowledge, had never been used before. (Jacoby deposition, pp. 215-16). We note, in this regard, that the survey did not follow any of the established methods for determining the genericness of a term. See e.g., *King-Seeley Thermos Co. v. Aladdin Industries, Inc.*, 312 F.2d 577, 138 USPQ 349 (2d Cir. 1963) ["Thermos" survey]. Moreover, several of the questions, because of their structure and length, were ambiguous and confusing.¹⁶ Also, it must be kept in mind that this was a telephone survey and the respondents did not have the

¹⁵ As indicated infra, in two of the oppositions, opposer alleged that HOME SHOPPING NETWORK had not become distinctive of applicant's services. Presumably, this is the reason the survey was designed in this manner.

¹⁶ For example, the introductory statement reads as follows:

All of my questions have to do with what you think about certain words and combinations of words. I'm going to mention several words and word combinations, one at a time. Some of these will be a name used by only one company to identify itself. Others will be words used by a number of different companies to describe something in general. I'd like to know what each of these means to you. (emphasis in original.)

Also, Question 1b reads:

In your experience, which way is "television network" used most of the time? Is it more often a name used by only one company to identify its particular broadcasting network, or is it more often a word combination used by several different companies to mean a broadcasting network in general?

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benefit of reading the questions so as to better understand what was being asked.

With respect to the opinion evidence that "Home Shopping" is a strong brand for applicant, as the ultimate trier of fact, we must determine the question of whether "home shopping" is a generic term for applicant's televised shopping programs based on all of the evidence of record.

We recognize that "home shopping" is not the only generic name for the category. Applicant has made much of the fact that opposer, for the most part, uses the term "electronic retailing," rather than "home shopping," when referring to its services. According to applicant, this is recognition by opposer that consumers associate "Home Shopping" with applicant. However, we find plausible opposer's explanation that it prefers to use a more upscale term to describe its services. More importantly, a product or service may have more than one generic name. See *In re National Shooting Sports Foundation, Inc.*, 219 USPQ 1018, 1020 (TTAB 1983), citing *In re Sun Oil Company*, 476 F.2d 401, 165 USPQ 718, 719 (CCPA 1970) (J. Rich, concurring). As Judge Rich instructed in his concurring opinion, "[a]ll of the generic names for a product belong in the public domain." *Id.* (emphasis in original) See McCarthy on Trademarks and Unfair Competition, *supra* at Section 12:10).

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In sum, our review of all the evidence herein leads us to conclude that "home shopping" is indeed generic for televised shopping programs.

We turn then to applicant's television broadcasting services which feature televised shopping programs. We find, based on the evidence outlined above, that the relevant consumers of such services would understand the term "home shopping" to primarily refer to a category of television broadcasting services. See *In re Conus Communications Co.*, 23 USPQ2d 1717 (TTAB 1992) ["All News Channel" is generic for a type of channel and broadcasting and production services of which the entire subject matter is news].

For the sake of completeness, we turn to the issue of mere descriptiveness with respect to the term "home shopping" for entertainment services in the nature of an ongoing television program whereby viewers are informed of various goods that can be purchased by the viewers and television broadcasting services. We have no doubt that "home shopping" is merely descriptive as used in connection with each of these services. It immediately describes a significant feature of the services, that is, that the subject matter of the television programs and television broadcasting services is "home shopping." Also, for the

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reasons discussed above, applicant's evidence of acquired distinctiveness is insufficient.

On the other hand, we find that the evidence does not support a finding that "home shopping" names a category of licensing services or credit card services or that it is merely descriptive of such services. Absent from this record is any evidence that the term is used or would be understood to primarily refer to licensing services or credit card services. Also, the record is devoid of any descriptive uses of the term "home shopping" for licensing services or credit card services. Equally important, opposer has made no argument in its brief as to why the term "home shopping" is generic or merely descriptive for such services.

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Decision: Opposition Nos. 102,173; 103,135; 104,173;
and 104,193; are sustained. Opposition Nos. 104,078;
104,181; and 104,323 are dismissed.

P. T. Hairston

C. E. Walters

B. A. Chapman
Administrative Trademark Judges
Trademark Trial and Appeal Board